



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0152	Title:	Revise motor vehicle registration and driver's license laws
Primary Sponsor:	Brueggeman, John	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$510	\$120	\$120	\$120
State Special Revenue	\$340	\$80	\$80	\$80
Revenue:				
General Fund	\$290	\$580	\$580	\$580
State Special Revenue	(\$140)	(\$280)	(\$280)	(\$280)
Net Impact-General Fund Balance	<u>(\$220)</u>	<u>\$460</u>	<u>\$460</u>	<u>\$460</u>

Description of fiscal impact:

After FY 2010, the revisions to motor vehicle registration and driver's license laws will result in a minor positive impact to the general fund and a negative impact to the state special revenue fund.

FISCAL ANALYSIS

Assumptions:

- Section 2 of SB 152 revises the distribution of the \$18.50 vehicle identification number (VIN) inspection fee; increasing the revenue deposited into general fund from \$5.00 to \$18.50 per transaction, while decreasing the revenue deposited into state special revenue from \$13.50 to \$0.00 per transaction.
- In FY 2008, there were 43 transactions which resulted in \$580 being deposited in the state special revenue account. It is assumed that the volume of transactions will remain consistent, therefore SB 152 will result in an increase of \$290 in the general fund in FY 2010 [$\$13.50 \times 43 \text{ transactions} \times .5 \text{ year} = \290] and \$580 in the fiscal years beyond FY 2010 [$\$13.50 \times 43 \text{ transactions} = \580].

3. Section 3 of SB 152 provides for a new type of temporary registration permit (TRP) allowing insurers or their agents to transport a vehicle to auction. If a vehicle is on a trailer or on a tow truck (rollback) the vehicle will not need a TRP, however, if any wheel of the vehicle is touching the ground a TRP will need to be issued.
4. Assuming that TRP authorized by Section 3 would be issued to Montana entities, the TRP fee would \$3.00.
5. It is estimated that 100 TRPs would be issued annually to transport vehicles to auction which would result in a \$150 increase in state special revenue in FY 2010 (beginning January 1, 2010) [$\$3.00 \times 100 \text{ TRPs} \times 0.5 \text{ year} = \150] and \$300 in the fiscal years beyond FY 2010 [$\$3.00 \times 100 \text{ TRPs} = \300].
6. Based on a contractual agreement with mt.gov, the fee per TRP issued for in-state usage is \$2.00. This would result in a cost of \$100 in FY 2010 (beginning January 1, 2010) [$\$2.00 \times 100 \text{ TRPs} \times 0.5 \text{ year} = \100] and \$200 in the fiscal years beyond FY 2010 [$\$2.00 \times 100 \text{ TRPs} = \200].
7. Section 3 of SB 152 allows for rule making authority in which there is a \$750.00 fee.
8. The Motor Vehicle Division is funded 60% general fund and 40% state special.

	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>	<u>FY 2012</u> <u>Difference</u>	<u>FY 2013</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$850	\$200	\$200	\$200
<u>Funding of Expenditures:</u>				
General Fund (01)	\$510	\$120	\$120	\$120
State Special Revenue (02)	\$340	\$80	\$80	\$80
TOTAL Funding of Exp.	\$850	\$200	\$200	\$200
<u>Revenues:</u>				
General Fund (01)	\$290	\$580	\$580	\$580
State Special Revenue (02)	(\$140)	(\$280)	(\$280)	(\$280)
TOTAL Revenues	\$150	\$300	\$300	\$300
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$220)	\$460	\$460	\$460
State Special Revenue (02)	(\$480)	(\$360)	(\$360)	(\$360)

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date